

CHAPTER I INTRODUCTION

1.1 Background

Ferronickel is a ferrous alloy made of two significant elements: iron and Nickel. This iron and nickel alloy is commonly used to make stainless steel and other steel alloys. Its numerous unique features, including corrosion resistance, hardness, and temperature tolerance, make it a significant resource for enterprises. The primary Nickel can be sorted into two major groups: high-grade Nickel and low-grade Nickel. High-grade Nickel in the form of cathodes, briquettes, carbonyl nickel, and nickel compounds are produced from sulfide and laterite feed. On the other hand, low-grade nickel like Ferronickel, Nickel Pig Iron (NPI), and Nickel Oxide are produced from laterite feed only. Based on world statistics, the largest producers of Nickels in the world are China, Russia, Japan, Australia, and Canada (Nornickel, 2020). The nickel consumption in 2020 increased by 4% of the annual consumption compared to the previous year. According to the global nickel world consumption in 2020, China was on top of the enormous consumption of primary Nickel. China has the largest market, with a 90% market share of Ferronickel in the world. This is followed by Europe and America, which both have a market share of less than 2 percent (Market Watch, 2022). Since the bulkiest market and consumed percentage of Ferronickel is in China. Therefore, the analysis of Ferronickel's market in this final project will be limited to the Asia Pacific region.

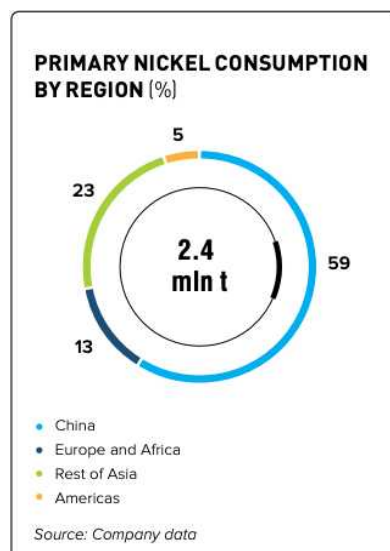


Figure 1.1 Primary Nickel Consumption by Region in 2020

(Source: Nornickel.com, 2020)

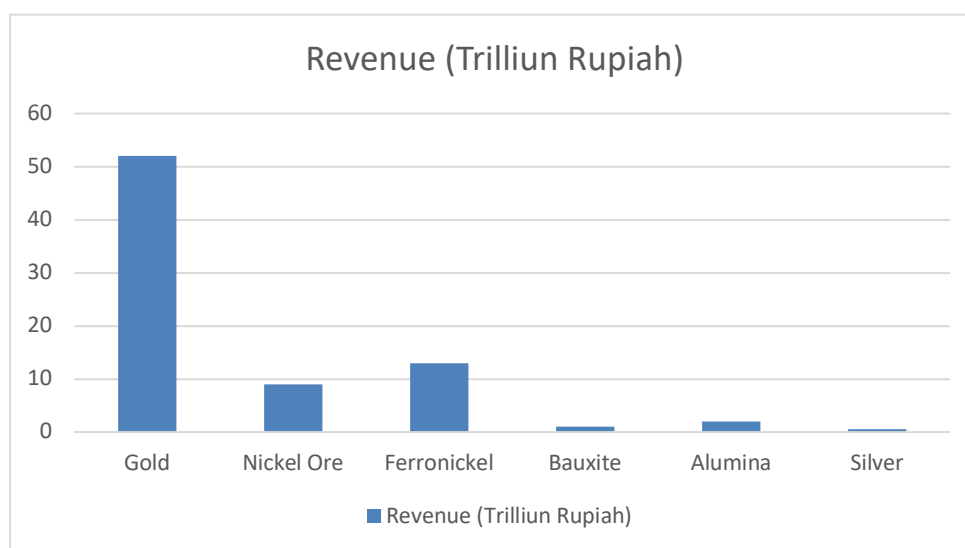
The growth of primary Nickel is caused by the enthusiasm for consumption within some industries, such as stainless steel, batteries, special steels, electroplating, alloys, and others. More than two-thirds of global nickel production is used to produce stainless steel ((Nickel Institute, 2021). The usage of Nickel can be found in more than 300 thousand products, with the leading end consumers by industry are more likely machines and mechanisms, transport, electrical machines and mechanisms, metal goods, construction industry, chemicals, and others. As an alloying element, Nickel enhances its important properties, such as formability, weldability, and ductility, while increasing corrosion resistance in certain applications (Selivanov, 2019). Stainless Steels were produced in a wide range of compositions which are 200, 300, and 400 series. According to the Stainless-Steel market size in 2020, the 300 series, which contains 6%- 20% of Nickel and 18%-30% chromium, is the most dominant product of Ferronickel. The benefit of 300 series is widely utilized in heavy industry and automotive applications due to its strong corrosion resistance and high-temperature resistance. The 200 series is thought to be more cost-effective than Nickel, which is commonly used in manufacturing. The yield strength of these 200 series is roughly 40% higher than any of the other series. The 400 series is a martensitic crystalline structure due to its high carbon content, and it is ideal for applications requiring high strength, heat resistance, and mild corrosion resistance. This was foreseen to perform a CAGR of 5.7% in revenue from 2020 to 2027. It was aligned with the increasing use of the machine parts, compressor shrouds, valve parts, pump rods, pistons, and others. Given its qualities such as resistance to stress corrosion cracking, high strength, and low weight, the duplex series is gaining popularity at a rapid pace. It can be found in various products like brewing tanks, hot water tanks, swimming pool structures, and others. The rising demand for Duplex steel is expected to drive stainless steel demand in the future years (Grand View Research, 2020). Based on the primary nickel consumption in 2020, the second largest industry which consumes Nickel is the batteries industry (Nornickel, 2020). The demand for Nickel has escalated since it can be transformed into components that are suitable to produce EVs. The global passenger electric vehicle (EV) sales are also forecast to top 6.3 million units by the end of 2021. The prediction number showed the calculation that the amount was almost double from data for 2020 (Bloomberg, 2021).

Table 1.1 Primary Nickel Consumption by Industry in 2020

Industry	Consumption (KT)	Share (%)
Stainless Steel	1,779	73
Batteries	211	9
Special Steels	131	5
Electroplating	127	5
Alloys	124	5
Other	69	3

(Source: Nornickel.com, 2020)

PT Aneka Tambang (ANTAM) Tbk, one of the SOE's Holding Mining Industry, is a vertically integrated, export-oriented, diversified mining and metals company. ANTAM's operation spread throughout the mineral-rich Indonesian archipelago, consisting of all activities such as exploration, excavation, processing to marketing of Gold, Silver, Nickel Ore, Ferronickel, Bauxite and Alumina. ANTAM's most significant commodities are classified into two types which are precious metals and base metals. Precious metals products are likely Gold and Silver, some industries products, and other pieces of jewelry. Base metals products consist of Nickel Ore, Ferronickel, Bauxite, and Alumina. Based on ANTAM's internal report in 2021, as in Figure 1.2, showed that the gold sector contributed the highest revenue, about 52 Triliun Rupiah, whereas other commodities are far behind.

**Figure 1.2** ANTAM's Revenue in 2021

(Source: Internal PT ANTAM Tbk, 2021)

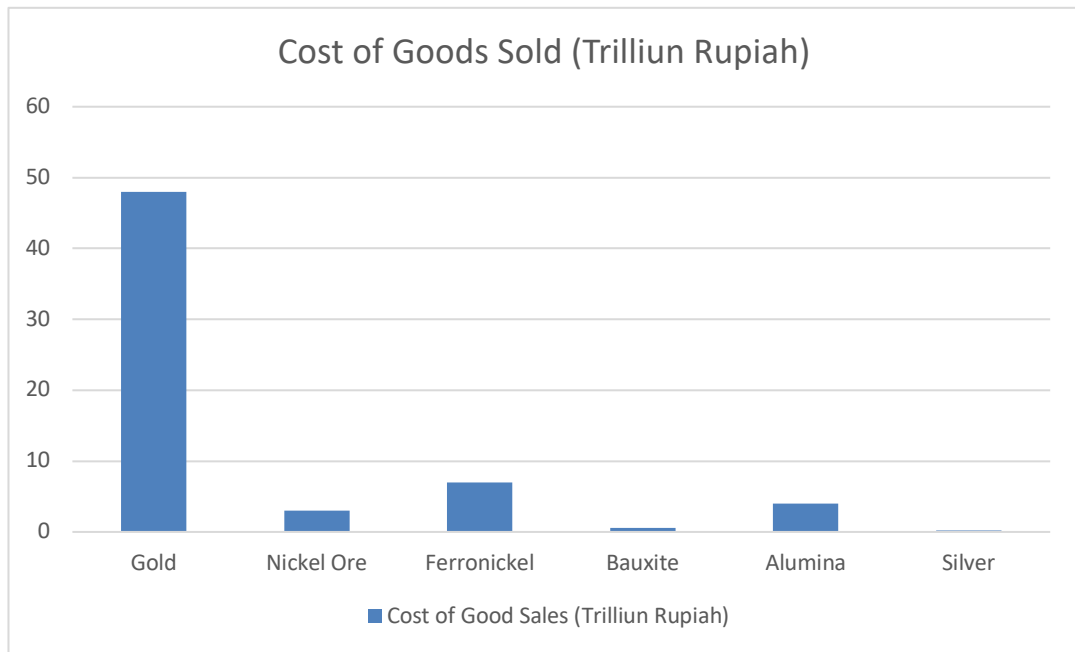


Figure 1.3 ANTAM's COGS in 2021
(Source: Internal PT ANTAM Tbk, 2021)

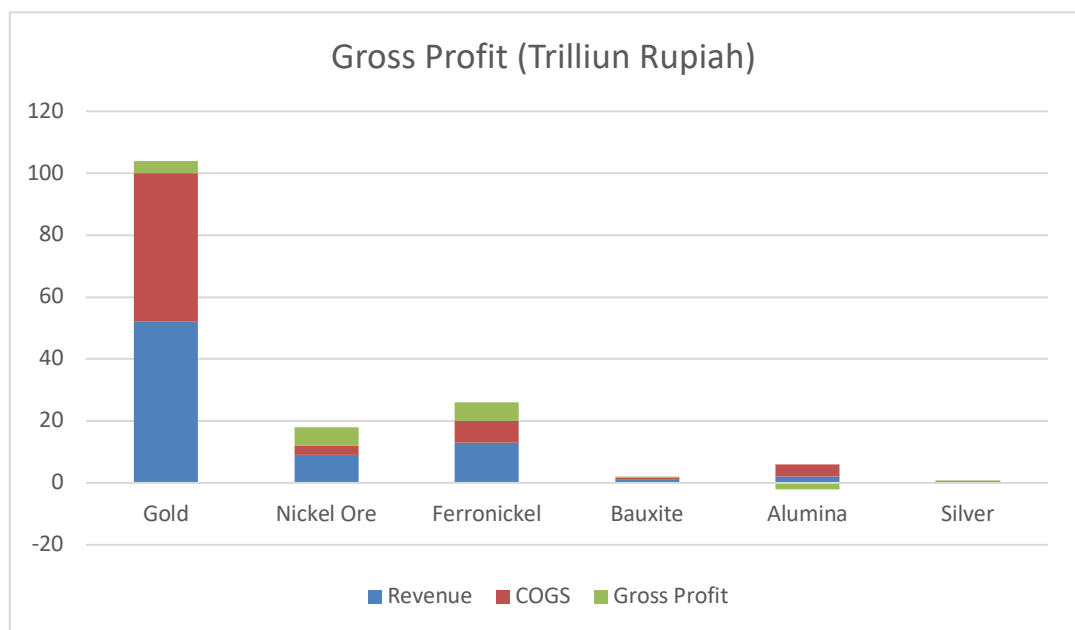


Figure 1.4 ANTAM's Gross Profit in 2021
(Source: Internal PT ANTAM Tbk, 2021)

However, by looking deeply into the cost of goods sold (COGS) from each commodity, as shown in Figure 1.3, it pointed out that the gold sector had the highest COGS, which was about 48 Trilliun Rupiah. By the calculation of the revenue and COGS, the gold sector's gross profit was 4 Trilliun Rupiah, while base metals contributed higher gross profits

to the Company. Based on Figure 1.4, Nickel Ore's gross profit was 6 Triliun Rupiah, Ferronickel was 5.4 Triliun Rupiah, and Bauxite was 2 Triliun Rupiah. All calculations implied that base metals sectors are the profit maker for PT ANTAM Tbk. This leads the author to explore more on the base metal's products as the biggest contributors to increasing the quantity and gaining more profits for the Company. ANTAM is well known as the biggest producer of Ferronickel in Indonesia. It is supported by the fact that ANTAM was able to operate a great number of resources. ANTAM owned a Ferronickel Smelter with the capacity of 100.000 TNi each year located in Pomalaa, Southeast Sulawesi. Likewise, ANTAM is finishing the second plant, which is East Halmahera Smelter, with a capacity of 26.000 TNi each year, located in North Maluku (Ruswana, Ma'arif, Kirbrandoko, 2020). Indonesia's current position as the largest producer of primary Nickel has met the global needs for stainless steel and electric vehicle (EV) batteries.

The percentage demand for Ferronickel for global needs is changing with the rapid expansion of Nickel Pig Iron (NPI) projects in the world, especially in China and Indonesia. Ferronickel and NPI are alike, both iron-nickel alloys with a range of grades with different cut-point at 15% of Nickel (Ni). Ferronickel is defined with a minimum grade of 15% Ni, which means the grade of NPI should be lower than 15% Ni (Trytten, 2021). As shown in Figure 1.5, based on the internal research of ANTAM, there can be a new transformation of Nickel in the downstream industry. For instance, NPI can also be modified into Nickel Matte (Ni Matte), which can function as an intermediate process to produce the electric vehicle (EV) battery. Correspondingly with the new demand for EVs, this might seem to be a threat that disturbs the market of Ferronickel itself. The current export quantity of Ferronickel is around 52.000 TNi each year. In 2022, ANTAM has an upcoming projection to increase 26.000 TNi of the export quantity with a total amount of 78.000 TNi. Moreover, ANTAM needs a new strategy to maintain the existing demand and its position in the global market and to fulfill the upcoming project.

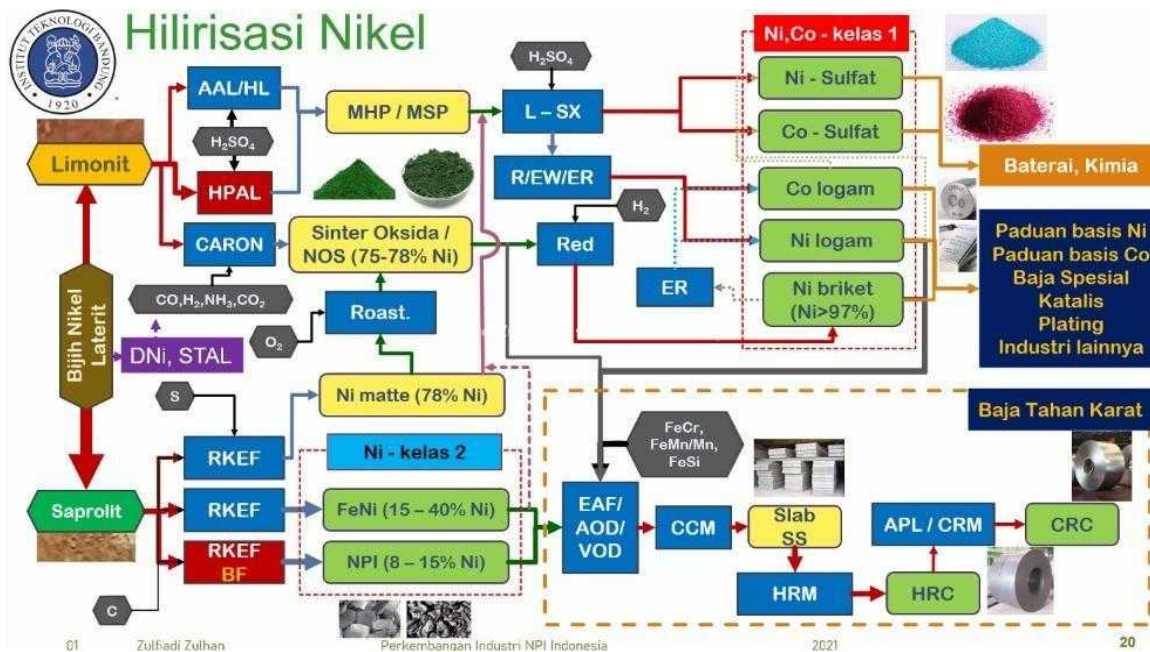


Figure 1.5 Processing Nickel Ore and Ferronickel

(Source: Internal PT ANTAM Tbk, 2021)

1.1.1 Business Overview

a. Company Profile

PT Aneka Tambang (ANTAM) Tbk was incorporated as Perusahaan Negara (PN) Aneka Tambang on July 5, 1998. Based on Government Regulation No.22 of 1968, as a result of the merger of the Common Leadership Organization of General Mining State Company, the Bauxite Mining State, the Tjikotok Gold Mining State Company, the Precious Metals State Company, PT Nikel Indonesia, the South Kalimantan Diamond Project, previous Bapetamb. On June 14, 1974, based on Government Regulation No. 26 of 1974, the status of the Company was changed from a State Company to a State-Owned Company, and since then, the Company has been known as "Perusahaan Perseroan (Persero) Aneka Tambang." The Company's name was then changed to "PT Aneka Tambang (Persero)" based on the Deed of Incorporation No. 320 dated December 30, 1974. In 1997, the Company made an initial public offering by selling 35% of its shares to the public on Jakarta and Surabaya Stock Exchange (currently known as Indonesia Stock Exchange). Therefore, the name of the Company was changed to PT Aneka Tambang (Persero) Tbk based on the Deed of Resolution Statement of the Company's Extraordinary General Meeting of Shareholders No. 48 dated September 15, 1997. In 1999, the Company also listed its shares on the Australia Securities Exchange with a Foreign Exempt Entity status and traded in the form of CHESS

Depository Interest (CDI). The Company augmented its status to ASX Listing in 2002. Furthermore, following the information of the Mining Industry Holding, the Company's name was changed to PT Aneka Tambang Tbk or abbreviated as PT ANTAM Tbk. Along with the formation of the Mining Industry Holding in 2017, the ownership of the B Series majority shareholding, amounting to 65% shares in the Company, transferred from the Government of the Republic of Indonesia to Perusahaan Perseroan (Persero) PT Indonesia Asahan Aluminium (Inalum) as an additional State Equity Participation (Penyertaan Modal Negara) in Inalum. The PMN does not result in the change of control in the Company as the Government of the Republic of Indonesia will remain the controlling owner through the indirect ownership of shares in the Company. Furthermore, through the ownership of the A Dwiwarna Series share in the Company, the Government of the Republic of Indonesia will remain the owner of the special rights that are not given to the B Series shares in the Company, with due compliance to the Articles of Association of the Company. This resulted in Inalum becoming the direct shareholder of 65% of the B Series shares in the Company and the public owning shares by 35%, while the Company's A Series shares remain to be owned by the Government of the Republic of Indonesia. Therefore, the status of the Company changes from being a Persero to a limited liability Company (Non-Persero).



Figure 1.6 MIND ID's Shareholders

(Source: PT ANTAM Tbk, 2021)

b. Company Vision and Mission

Vision 2030

“To become a leading global corporation through diversification and integrated natural-resource based business.”

Mission 2030

1. To provide high quality products with a view of achieving maximum added value through best industry practices and competitive operational performance.
2. To optimize resources with emphasis on sustainability, occupational safety, and environmental conservation.
3. To maximize the shareholder and stakeholder value.
4. To improve the employee's competency and welfare as well as the independence of the communities in the vicinity of the operational areas.

c. Company Value

Cultures and Values

ANTAM adopts corporate values, which are **PIONEER**, **SENSE**, and **BEST**. Each culture brings different values. **PIONEER** (Professionalism, Integrity, Global Mentality, Harmony, Excellence, Reputation). The leadership value as mentioned in **SENSE** (Speed, Energize, Respect, Courage) will lead ANTAM's human capital excellence level to be the **BEST** (Beyond Expectations, Environment Awareness, Synergized Partnership) criteria.

d. Businesses Units

ANTAM makes its cash by exploring and discovering mineral deposits, extracting them and processing them as economically and correctly as possible, and selling them to long-term loyal customers in Europe and Asia. ANTAM has been doing this profitability since its inception in 1968 and plans to continue doing this for many years ahead. ANTAM's main products are high-grade nickel ore (saprolite), low-grade nickel ore (limonite), ferronickel, gold, silver, and bauxite. ANTAM's main services are precious metal refining and geological services. To run the business, ANTAM diversified its business into seven units businesses:

1. Head Office: located in Tanjung Barat, South Jakarta
2. Southeast Sulawesi Nickel Mining Business Unit (UBPN Sultra): located in Kolaka, Southeast Sulawesi

3. North Maluku Nickel Mining Business Unit (UBPN Malut): located in East Halmahera, North Maluku
4. Pongkor Gold Mining Business Unit (UBPE Pongkor): located in Pongkor, West Java
5. Precious Metals Processing and Refinery Business Unit (UBPP Logam Mulia): located in Pulogadung, Jakarta
6. West Kalimantan Bauxite Mining Business Unit (UBPB Kalbar): located in Tayan, West Kalimantan
7. Geomin and Technology Development Unit (UGTD): located in Tanjung Barat, South Jakarta.

e. ANTAM Products

Nickel Ore Mining

Nickel ore is one of ANTAM's biggest commodities. There are two types of nickel ore classified into low grade and high grade. Limonite, known as the low-grade nickel ore, consists of a minimum of 1.2% nickel content and a minimum of 25% iron content. Limonite is used to produce batteries and electric vehicles (EV). Saprolite, known as the high-grade nickel ore, consists of a minimum of 1.8% nickel content and a maximum of 25% iron content. Saprolite is used to produce ferronickel, nickel matte, NPI, and nickel cathode. Nickel ore is used for ore feed to produce ferronickel in Somalia, others to be sold to the domestic market. ANTAM has several plants to produce nickel ore which are in Southeast Sulawesi, North Maluku, and West Papua. Somalia is ANTAM's oldest nickel mine located in Southeast Sulawesi. The second plant is at Tanjung Buli, located in North Maluku. Both plants are operated by ANTAM. The product will be sold by the marketing of base metals in the head office. PT Gag Nikel, a subsidiary of ANTAM, which is located in West Papua, operates and sells its own nickel ore. ANTAM conducts an open-pit mining method with selective mining to produce high-grade and low-grade nickel ore. ANTAM sundries its mined nickel ore before being screened to be crushed into the requested size. Ore is transported using a belt conveyor to the stockpile area before being used in ferronickel processing for domestic and export.



Figure 1.7 Nickel Ore

(Source: PT ANTAM Tbk, 2021)

Ferronickel

Nickel Ore's added value processed product is called Ferronickel. It's one of the core strategies to move downstream and give valuable products. Ferronickel contains 80% iron and 20% nickel. It is also differentiated by two levels such as high carbon shot and low carbon shot. The high carbon shot consists of Ni (17%), C (3%), Si (3%), P (0.06%), S (0.15%). The low carbon shot consists of Ni (19%), C (0.03%), Si (0.30%), P (0.03%), S (0.03%). The product is sold in the form of shots (pallets) to stainless steel producers, mostly in Asia. ANTAM is the only company that produces and sells ferronickel in Indonesia. More than 60% of Nickel is used for stainless steel production, and others are used for industrial purposes. Ferronickel can be used in the production of stainless steel, low alloy steel, and other related alloys. In addition, it can be produced in many forms, including powder, briquettes, pellets, and others. To produce Ferronickel, the saprolite nickel ore contains a minimum of 1.8% nickel and a maximum of 25% iron. The first process is to become calcine through a process that crushes, dries, heats and adds certain consumables to reduce acidity, using various machines. The treated nickel ore is then fed into ANTAM's smelters at a ratio of about 70-80 tons of nickel ore. The heat base pyrometallurgical technology is hugely energy-intensive and requires an assured power source. The melting and boiling points of this alloy are 2,732 F (1,500 Celsius) and 5,252 F (2,900 Celsius). Ferronickel has a high melting point and is resistant to corrosion, making it a good choice for use in high-temperature applications.



Figure 1.8 Ferronickel

(Source: PT ANTAM Tbk, 2021)

Bauxite

Bauxite is the main source of ore aluminum production. Bauxite contains Alumina and a mixture of silica, various iron oxides, and titanium dioxide. Bauxite is produced and operated in Tayan Bauxite Mining, West Kalimantan. The product will be sold by marketing base metals in the head office. Moreover, Bauxite can be processed to produce Alumina.



Figure 1.9 Bauxite

(Source: PT ANTAM Tbk, 2021)

Alumina

Alumina is then further processed of bauxite using the Bayer process and calcination to produce Chemical Grade Alumina (CGA) products in the form of aluminum hydroxide and alumina. It looks like a white flourish. PT Indonesia Chemical Alumina (ICA), a subsidiary of ANTAM, is responsible for producing, operating, and selling all the Alumina. In the meantime, it is the only CGA producer in Indonesia and Southeast Asia. The plant can process 850.000 wmt of washed bauxite and produce 300.000 tons of CGA annually. All are sold for exports.



Figure 1.10 Alumina

(Source: PT ANTAM Tbk, 2021)

Gold & Precious Metal Refining

ANTAM's gold and refinery business segment consists of gold commodity, silver, and precious metals processing and refinery services. Gold and silver commodity of ANTAM was produced through mining activity and gold ore smelting to dore bullion. The gold ore mining is produced from two mining sites: Pongkor, West Java, and Cibaliung, Banten. Both places are underground mining. Pangkor's gold production currently ranges between 30-45 Koz/year, while Cibaliung's gold production is in the range of 15-30 oz/year. The underground mining method is used to produce gold ore, followed by the processing of the ore in the processing plant using the cyanide leaching method to produce bullion, composed of gold, silver, and other impurities. ANTAM's precious metal refinery is located in Pulo Gadung, Jakarta, and is operated by UBPP Logam Mulia. The production capacity is 2,300 oz of fine gold and 7,700 oz of fine silver annually. Logam Mulia refinery processes and

refine bullion from Pongkor and Cibaliung, along with several other gold mines in Indonesia, to produce pure gold and silver. Logam Mulia Refinery is the only precious metal refinery in Indonesia that is accredited by the London Bullion Market Association (LBMA), which guarantees the weight and purity of ANTAM's gold products and can be traded internationally. The products are sold to the domestic market and are mostly exported to Singapore and Japan.



Figure 1.11 Fine Gold

(Source: PT ANTAM Tbk, 2021)



Figure 1.12 Silver

(Source: PT ANTAM Tbk, 2021)

f. Organization Structure

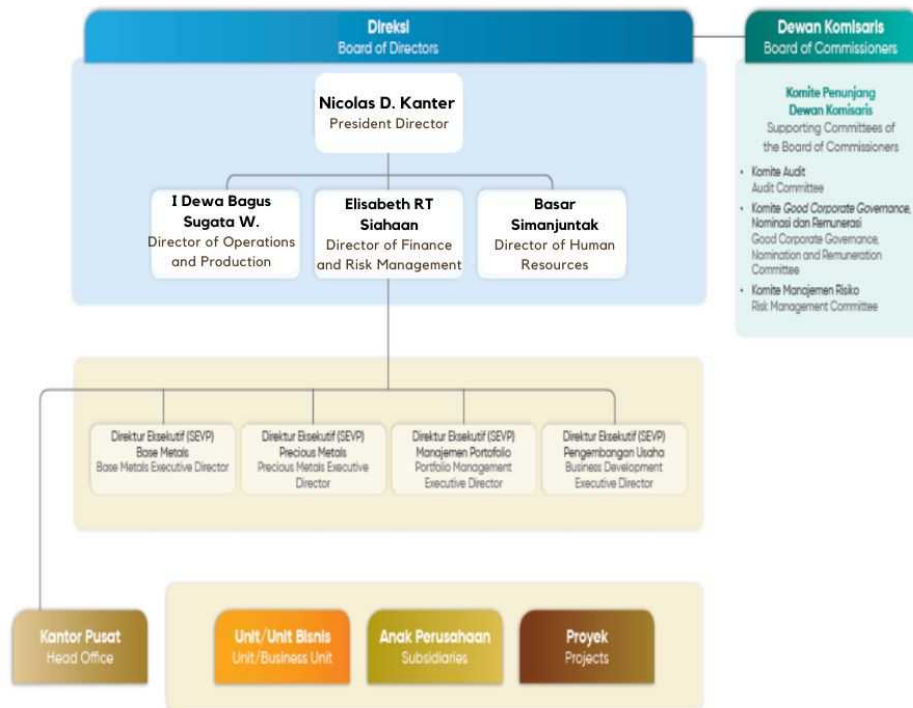


Figure 1.13 Organization Structure of ANTAM

(Source: PT ANTAM Tbk, 2021)

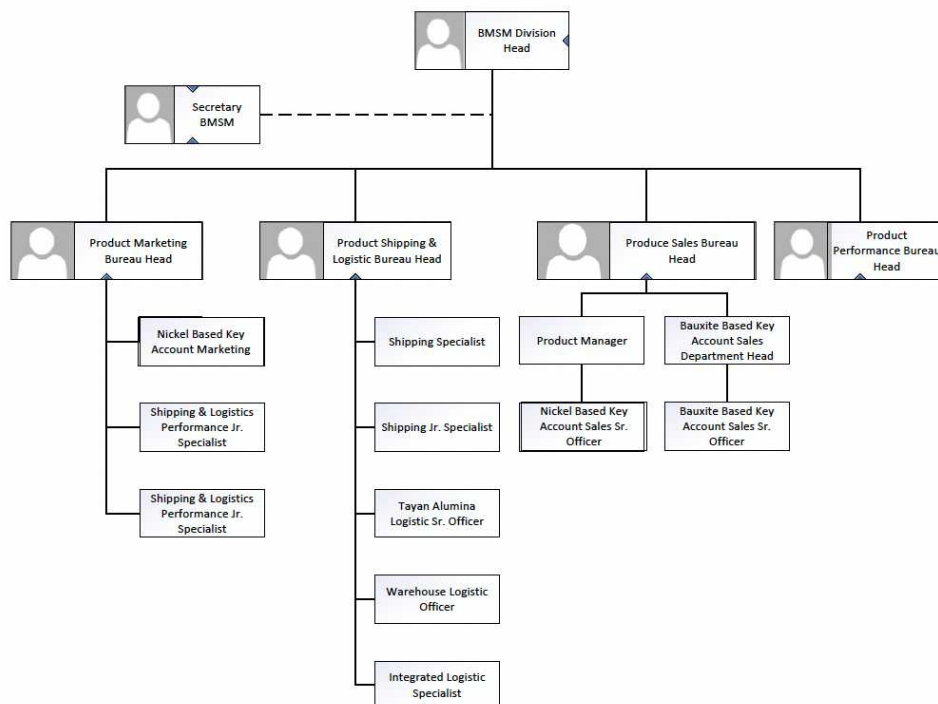


Figure 1.14 Organization Structure of BMSM

(Source: PT ANTAM Tbk, 2021)

1.2 Business Issues

The nickel industry has increased since the needs of the stainless steel industry and the electric vehicle industry are growing within this new energy era. To be more precise with the current issues that happened in PT ANTAM Tbk, the author has conducted some interviews with several employees from various departments involved in the chain of business processes to obtain more detailed information about the situation in the Company. ANTAM was one of the state-owned companies, and currently, its ownership was transferred to a government-owned holding company called PT Indonesia Asahan Aluminium (Inalum). ANTAM is known as the largest producer of Nickel in Indonesia. Ferronickel (FeNi) is the second largest of Nickel's products used to produce stainless steel and components of batteries and electric vehicles. ANTAM is the only Company that produces Ferronickel in Indonesia. In 2021, ANTAM's marketing target was about 52.000 TNi which can be assumed that the percentage of sales reached almost 99% of the target of the Company. Ferronickel buyers are currently dominated by India, China, and Korea. Within this niche market, ANTAM had succeeded in selling the Ferronickel and achieved the target given by the Company.

Table 1.2 Target and Realization of Ferronickel in ANTAM

Commodities	Unit	Total	Realization
Ferronickel	Ton Ni	51.984	99%
HCS	Ton Ni	49.508	98%
LCS	Ton Ni	2.478	146%

(Source: PT ANTAM Tbk, 2021)

According to the number shown in Figure 1.4, the nickel sectors contributed the biggest EBITDA (profit margin) to the Company. Nowadays, the demand for electric vehicles (EV), batteries, and stainless steel is increasing. In this case, to maximize the profit and supply the demand, ANTAM's proposed a new target which was to increase the sales and exports of Ferronickel. ANTAM planned to increase the production of Ferronickel by approximately 50% of the current capacity of Ferronickel. This is also having a correlation with the upcoming new plant of Ferronickel that is located at East Kalimantan. In 2022, Ferronickel has a target of around 72.000 TNi that, in hopes, could contribute to accomplishing the demand of the global market. The Company needs to think about new strategies to gain more profit by raising the current capacity.

Table 1.3 Total World Projection Capacity of Ferronickel and NPI

TOTAL WORLD	2017	2018	2019	2020	2021	2022
Ferro-Nickel	385	406	404	380	372	422
NPI	590	739	956	1119	1300	1391

(Source: Wood Mackenzie, 2021)

Based on Table 1.3, it is implied that the number of Ferronickel's competitors, Nickel Pig Iron (NPI), is rapidly growing every year. In 2022, the projection capacity for Ferronickel is 422 KT, while the capacity for NPI is multiplied higher around 1391 KT. The difference between the quantity of NPI and Ferronickel is mostly double the demand quantity of Ferronickel. The great numbers of NPI happened because there are many companies around the world that produce NPI. The numerous quantities of the NPI caused a lower price for this product. Moreover, NPI also contains 8-15% nickel which is suitable for stainless steel type ferritic, martensitic, and duplex. Ferronickel, on the other hand, has a specific niche market, such as a stainless-steel company that produces the type. As the new technology was developing, there was an innovative technology that was able to transform NPI into Ni Matte product, which is one of the intermediate processes to produce batteries and electric vehicles. Nonetheless, this might be a serious threat to the existing buyers and market of Ferronickel. Many stainless companies, like China, prefer to buy NPI instead of Ferronickel. More than that, in the future, NPI can be considered an alternative product to produce batteries and electric vehicles. Since the competition is still ongoing in the nickel market, ANTAM should propose a business strategy to increase the export and be able to reach the available demand for Ferronickel in the global market.

1.3 Problem Statement

ANTAM has a great resource of Ferronickel (FeNi) in Indonesia. However, as mentioned in the business issues above, ANTAM still has some difficulties how in increasing sales of the export for Ferronickel while dealing with the competitors in the nickel market. Meanwhile, the demand for NPI as a substitute product is increased along with the requirement of new markets from battery industries. Therefore, ANTAM should capture the available demand in the global market and win the competition among the competitors.

1.4 Research Questions

To specify the overall problem, the research questions that must be answered from this research are:

- 1) What is the internal and external of PT ANTAM Tbk?
- 2) What is the root cause of the issues at PT ANTAM Tbk?
- 3) What is the proposed business strategy for PT ANTAM Tbk to increase the export and maintain the business sustainability of Ferronickel to face the competitors in the future?
- 4) What is the implementation plan of the proposed business strategy?

1.5 Research Objective

To solve the existing problem, the purposes of this research to give solution for the problem are:

- 1) To analyze the internal and external of PT ANTAM Tbk
- 2) To propose a business strategy to increase the export and maintain the business sustainability of Ferronickel
- 3) To develop the implementation plan of the proposed business strategy.

1.6 Research Limitation

The limitations of this research are as follows:

1. This research will only focus on Ferronickel at PT ANTAM Tbk.
2. The data was taken from the internal of BMSM at PT ANTAM Tbk.
3. The market price of nickel is based on London Metal Exchange (LME)
4. This study does not discuss the financial problems for proposed business strategy.
5. The internal data used is only a representative number to reflect the real condition.
6. The strategy given will only be following the conditions of the company and the retail industry market at the time this research is conducted.
7. The data was taken from 2018 to 2022.
8. Ferronickel is most consumed by stainless steel companies. In this way, China is the biggest supplier in the world.
9. The scoop limitation is open to Southeast Asia Countries.

10. This research is limited to the business strategy that is formulated based on the result of interviews and observation.

1.7 Research Methodology

The final project will consist of an analysis of the research object business issue and formulate a business strategy that is relevant to the Company's situation. The analysis will conduct the business strategy formulation in such as business and strategic management along with marketing management. The data used for analysis for this final project are primary and secondary data. Gain the primary data on this primary research was conducted through an interview with the internal marketing of PT ANTAM Tbk.

1.7.1 Primary Data

The primary data will be conducted by doing a depth interview to gain more information about the business development strategies. The interview will allow the internal organization to involve the interviewees. In addition, the author also obtained primary data through observation and interview with:

- 1) Mr. Polimon Tarigan is the Senior Vice President of Corporate Finance who is responsible for budgeting all the projects in PT ANTAM Tbk.
- 2) Mr. Arief Abidin is the Base Metals Sales and Division Head who is responsible for coordinating and managing the marketing, sales, and shipping bureau which is related to the business process and products of BMSM.
- 3) Mr. Ihsan Budi Rahman is the Marketing Bureau Head of BMSM and is responsible for all activities related to the business and sales of all BMSM products.
- 4) Mr. Maulana is the Marketing of Ferronickel who is responsible for achieving the sales target, communicating with the buyers, and doing the forecast price for Ferronickel.

1.7.2 Secondary Data

The secondary data that is used to support this research are:

- 1) Base Metal Sales & Marketing Division

This report gives a piece of information about the realization data target of Ferronickel each year.

- 2) Organization Website

Data is taken from the company's website along with the internal data of nickel's world price.

3) Articles and Books

Data are used to support the analysis and conduct the best business strategy for PT ANTAM Tbk.

1.8 Systematically Writing

This research consists of four chapters that correlate one to another, which are:

Chapter 1: Introduction

The first chapter will describe the background of the research and the company background where the problem is obtained from the current condition in the company and the global market. This chapter consists of company profile, vision, and mission, company's value, business units, company products, business issues, research question, research objective, research limitation, research methodology, and the structure writing of this final project.

Chapter 2: Business Issue Exploration

The second chapter will have an in-depth exploration and analysis of the company's business issues, including the conceptual framework with the theoretical background that used to do the research to analyze the internal and external of the company. To specify and solve the issues, it uses some management tools to support the strategy formulation.

Chapter 3: Business Solution

The third chapter will break down the result from both internal and external analysis and the review of the data collected. The analysis will be supported by SWOT and root cause to identify the business issues. The proposed strategies are used to solve the issues and give a suitable solution for the company. It can be determine based on the finding that the author gets from the interview, journals, and observation.

Chapter 4 – Conclusion and Implementation Plan

The fourth chapter will point out the conclusion of this research and grant an implementation plan and recommendation for the company based on the research. Chapter 5, or the last chapter, contain the conclusion of previous section and key finding for the recommendation, which will be plotted into implementation plan.